

1 71.28 (1di) (i) The development zones credit under this subsection, as it applies
2 to a person certified under s. 560.765 (3), 2009 stats., applies to a corporation that
3 conducts economic activity in a development opportunity zone under s. 560.795 (1),
4 2009 stats., and that is entitled to tax benefits under s. 560.795 (3), 2009 stats.,
5 subject to the limits under s. 560.795 (2), 2009 stats. A development opportunity
6 zone credit under this paragraph may be calculated using expenses incurred by a
7 claimant beginning on the effective date under s. 560.795 (2) (a), 2009 stats., of the
8 development opportunity zone designation of the area in which the claimant
9 conducts economic activity.

10 ***-1059/P3.270* SECTION 536.** 71.28 (1dj) (am) (intro.) of the statutes is
11 amended to read:

12 71.28 (1dj) (am) (intro.) Except as provided under par. (f) or s. 73.03 (35), for
13 any taxable year for which the person is certified under s. 560.765 (3), 2009 stats.,
14 for tax benefits, any person may claim as a credit against taxes otherwise due under
15 this chapter an amount calculated as follows:

16 ***-1059/P3.271* SECTION 537.** 71.28 (1dj) (am) 4. a. of the statutes is amended
17 to read:

18 71.28 (1dj) (am) 4. a. If certified under s. 560.765 (3), 2009 stats., for tax
19 benefits before January 1, 1992, modify “qualified wages” as defined in section 51 (b)
20 of the internal revenue code to exclude wages paid before the claimant is certified for
21 tax benefits and to exclude wages that are paid to employees for work at any location
22 that is not in a development zone under subch. VI of ch. 560, 2009 stats. For purposes
23 of this subd. 4. a., mobile employees work at their base of operations and leased or
24 rented employees work at the location where they perform services.

1 ***-1059/P3.272* SECTION 538.** 71.28 (1dj) (am) 4. b. of the statutes is amended
2 to read:

3 71.28 (1dj) (am) 4. b. If certified under s. 560.765 (3), 2009 stats., for tax
4 benefits after December 31, 1991, modify "qualified wages" as defined in section 51
5 (b) of the internal revenue code to exclude wages paid before the claimant is certified
6 for tax benefits and to exclude wages that are paid to employees for work at any
7 location that is not in a development zone under subch. VI of ch. 560, 2009 stats. For
8 purposes of this subd. 4. b., mobile employees and leased or rented employees work
9 at their base of operations.

10 ***-1059/P3.273* SECTION 539.** 71.28 (1dj) (am) 4c. of the statutes is amended
11 to read:

12 71.28 (1dj) (am) 4c. Modify the rule for ineligible individuals under section 51
13 (i) (1) of the internal revenue code to allow credit for the wages of related individuals
14 paid by an Indian business, as defined in s. 560.86 (4), 2009 stats., or a tribal
15 enterprise, as defined in s. 71.07 (2di) (b) 2., if the Indian business or tribal enterprise
16 is located in a development zone designated under s. 560.71 (3) (c) 2., 2009 stats.

17 ***-1059/P3.274* SECTION 540.** 71.28 (1dj) (am) 4t. of the statutes is amended
18 to read:

19 71.28 (1dj) (am) 4t. If certified under s. 560.765 (3), 2009 stats., for tax benefits
20 before January 1, 1992, modify section 51 (i) (3) of the internal revenue code so that
21 for leased or rented employees, except employees of a leasing agency certified for tax
22 benefits who perform services directly for the agency in a development zone, the
23 minimum employment periods apply to the time that they perform services in a
24 development zone for a single lessee or renter, not to their employment by the leasing
25 agency.

1 ***-1059/P3.275* SECTION 541.** 71.28 (1dj) (e) 1. of the statutes is amended to
2 read:

3 71.28 (1dj) (e) 1. A copy of the claimant's certification for tax benefits under s.
4 560.765 (3), 2009 stats.

5 ***-1059/P3.276* SECTION 542.** 71.28 (1dj) (e) 3. a. of the statutes is amended
6 to read:

7 71.28 (1dj) (e) 3. a. If certified under s. 560.765 (3), 2009 stats., for tax benefits
8 before January 1, 1992, a statement from the department of commerce verifying the
9 amount of qualifying wages and verifying that the employees were hired for work
10 only in a development zone or are mobile employees whose base of operations is in
11 a development zone.

12 ***-1059/P3.277* SECTION 543.** 71.28 (1dj) (e) 3. b. of the statutes is amended
13 to read:

14 71.28 (1dj) (e) 3. b. If certified under s. 560.765 (3), 2009 stats., for tax benefits
15 after December 31, 1991, a statement from the department of commerce verifying the
16 amount of qualifying wages and verifying that the employees were hired for work
17 only in a development zone or are mobile employees or leased or rented employees
18 whose base of operations is in a development zone.

19 ***-1059/P3.278* SECTION 544.** 71.28 (1dj) (i) of the statutes is amended to read:

20 71.28 (1dj) (i) The development zones credit under this subsection, as it applies
21 to a person certified under s. 560.765 (3), 2009 stats., applies to a corporation that
22 conducts economic activity in a development opportunity zone under s. 560.795 (1),
23 2009 stats., and that is entitled to tax benefits under s. 560.795 (3), 2009 stats.,
24 subject to the limits under s. 560.795 (2), 2009 stats. A development opportunity
25 zone credit under this paragraph may be calculated using expenses incurred by a

1 claimant beginning on the effective date under s. 560.795 (2) (a), 2009 stats., of the
2 development opportunity zone designation of the area in which the claimant
3 conducts economic activity.

4 ***-1059/P3.279* SECTION 545.** 71.28 (1dL) (a) of the statutes is amended to
5 read:

6 71.28 (1dL) (a) Except as provided in pars. (ag), (ar), (bm) and (f) and s. 73.03
7 (35), for any taxable year for which the person is certified under s. 560.765 (3), 2009
8 stats., for tax benefits, any person may claim as a credit against taxes otherwise due
9 under this subchapter an amount equal to 2.5% of the amount expended by that
10 person to acquire, construct, rehabilitate or repair real property in a development
11 zone under subch. VI of ch. 560, 2009 stats.

12 ***-1059/P3.280* SECTION 546.** 71.28 (1dL) (ag) of the statutes is amended to
13 read:

14 71.28 (1dL) (ag) If the credit under par. (a) is claimed for an amount expended
15 to construct, rehabilitate, remodel or repair property, the claimant must have begun
16 the physical work of construction, rehabilitation, remodeling or repair, or any
17 demolition or destruction in preparation for the physical work, after the place where
18 the property is located was designated a development zone under s. 560.71, 2009
19 stats., and the completed project must be placed in service after the claimant is
20 certified for tax benefits under s. 560.765 (3), 2009 stats. In this paragraph, "physical
21 work" does not include preliminary activities such as planning, designing, securing
22 financing, researching, developing specifications or stabilizing the property to
23 prevent deterioration.

24 ***-1059/P3.281* SECTION 547.** 71.28 (1dL) (ar) of the statutes is amended to
25 read:

1 71.28 (1dL) (ar) If the credit under par. (a) is claimed for an amount expended
2 to acquire property, the property must have been acquired by the claimant after the
3 place where the property is located was designated a development zone under s.
4 560.71, 2009 stats., and the completed project must be placed in service after the
5 claimant is certified for tax benefits under s. 560.765 (3), 2009 stats., and the
6 property must not have been previously owned by the claimant or a related person
7 during the 2 years prior to the designation of the development zone under s. 560.71,
8 2009 stats. No credit is allowed for an amount expended to acquire property until
9 the property, either in its original state as acquired by the claimant or as
10 subsequently constructed, rehabilitated, remodeled or repaired, is placed in service.

11 ***-1059/P3.282* SECTION 548.** 71.28 (1dL) (bm) of the statutes is amended to
12 read:

13 71.28 (1dL) (bm) In calculating the credit under par. (a) a claimant shall reduce
14 the amount expended to acquire property by a percentage equal to the percentage of
15 the area of the real property not used for the purposes for which the claimant is
16 certified to claim tax benefits under s. 560.765 (3), 2009 stats., and shall reduce the
17 amount expended for other purposes by the amount expended on the part of the
18 property not used for the purposes for which the claimant is certified to claim tax
19 benefits under s. 560.765 (3), 2009 stats.

20 ***-1059/P3.283* SECTION 549.** 71.28 (1dL) (c) of the statutes is amended to
21 read:

22 71.28 (1dL) (c) If the claimant is located on an Indian reservation, as defined
23 in s. 560.86 (5), 2009 stats., and is an American Indian, as defined in s. 560.86 (1),
24 2009 stats., an Indian business, as defined in s. 560.86 (4), 2009 stats., or a tribal
25 enterprise, as defined in s. 71.07 (2di) (b) 2., and if the allowable amount of the credit

1 under par. (a) exceeds the taxes otherwise due under this chapter on or measured by
2 the claimant's income, the amount of the credit not used as an offset against those
3 taxes shall be certified to the department of administration for payment to the
4 claimant by check, share draft or other draft.

5 ***-1059/P3.284* SECTION 550.** 71.28 (1dL) (i) of the statutes is amended to
6 read:

7 71.28 (1dL) (i) The development zones credit under this subsection, as it
8 applies to a person certified under s. 560.765 (3), 2009 stats., applies to a corporation
9 that conducts economic activity in a development opportunity zone under s. 560.795
10 (1), 2009 stats., and that is entitled to tax benefits under s. 560.795 (3), 2009 stats.,
11 subject to the limits under s. 560.795 (2), 2009 stats. A development opportunity
12 zone credit under this paragraph may be calculated using expenses incurred by a
13 claimant beginning on the effective date under s. 560.795 (2) (a), 2009 stats., of the
14 development opportunity zone designation of the area in which the claimant
15 conducts economic activity.

16 ***-1059/P3.285* SECTION 551.** 71.28 (1dm) (a) 1. of the statutes is amended to
17 read:

18 71.28 (1dm) (a) 1. "Certified" means entitled under s. 238.395 (3) (a) 4. or s.
19 560.795 (3) (a) 4., 2009 stats., to claim tax benefits or certified under s. 238.395 (5),
20 238.398 (3), or 238.3995 (4) or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats.,
21 s. or 560.7995 (4), 2009 stats.

22 ***-1059/P3.286* SECTION 552.** 71.28 (1dm) (a) 3. of the statutes is amended to
23 read:

24 71.28 (1dm) (a) 3. "Development zone" means a development opportunity zone
25 under s. 238.395 (1) (e) and (f) or 238.398 or s. 560.795 (1) (e) and (f), 2009 stats., or

1 s. 560.798, 2009 stats., or an airport development zone under s. 238.3995 or s.
2 560.7995, 2009 stats.

3 ***-1059/P3.287* SECTION 553.** 71.28 (1dm) (a) 4. of the statutes is amended to
4 read:

5 71.28 (1dm) (a) 4. "Previously owned property" means real property that the
6 claimant or a related person owned during the 2 years prior to the department of
7 commerce or the Wisconsin Economic Development Corporation designating the
8 place where the property is located as a development zone and for which the claimant
9 may not deduct a loss from the sale of the property to, or an exchange of the property
10 with, the related person under section 267 of the Internal Revenue Code, except that
11 section 267 (b) of the Internal Revenue Code is modified so that if the claimant owns
12 any part of the property, rather than 50% ownership, the claimant is subject to
13 section 267 (a) (1) of the Internal Revenue Code for purposes of this subsection.

14 ***-1059/P3.288* SECTION 554.** 71.28 (1dm) (f) 1. of the statutes is amended to
15 read:

16 71.28 (1dm) (f) 1. A copy of ~~a~~ the verification from the department of commerce
17 that the claimant may claim tax benefits under s. 238.395 (3) (a) 4. or s. 560.795 (3)
18 (a) 4., 2009 stats., or is certified under s. 238.395 (5), 238.398 (3), or 238.3995 (4) or
19 s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats.

20 ***-1059/P3.289* SECTION 555.** 71.28 (1dm) (f) 2. of the statutes is amended to
21 read:

22 71.28 (1dm) (f) 2. A statement from the department of commerce or the
23 Wisconsin Economic Development Corporation verifying the purchase price of the
24 investment and verifying that the investment fulfills the requirements under par.
25 (b).

1 ***-1059/P3.290* SECTION 556.** 71.28 (1dm) (i) of the statutes is amended to
2 read:

3 71.28 (1dm) (i) Partnerships, limited liability companies, and tax-option
4 corporations may not claim the credit under this subsection, but the eligibility for,
5 and the amount of, that credit shall be determined on the basis of their economic
6 activity, not that of their shareholders, partners, or members. The corporation,
7 partnership, or limited liability company shall compute the amount of credit that
8 may be claimed by each of its shareholders, partners, or members and provide that
9 information to its shareholders, partners, or members. Partners, members of limited
10 liability companies, and shareholders of tax-option corporations may claim the
11 credit based on the partnership's, company's, or corporation's activities in proportion
12 to their ownership interest and may offset it against the tax attributable to their
13 income from the partnership's, company's, or corporation's business operations in the
14 development zone; except that partners, members, and shareholders in a
15 development zone under s. 238.395 (1) (e) or s. 560.795 (1) (e), 2009 stats., may offset
16 the credit against the amount of the tax attributable to their income.

17 ***-1059/P3.291* SECTION 557.** 71.28 (1dm) (j) of the statutes is amended to
18 read:

19 71.28 (1dm) (j) If a person who is entitled under s. 238.395 (3) (a) 4. or s. 560.795
20 (3) (a) 4., 2009 stats., to claim tax benefits becomes ineligible for such tax benefits,
21 or if a person's certification under s. 238.395 (5), 238.398 (3), or 238.3995 (4) or s.
22 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., is
23 revoked, that person may claim no credits under this subsection for the taxable year
24 that includes the day on which the person becomes ineligible for tax benefits, the
25 taxable year that includes the day on which the certification is revoked, or succeeding

1 taxable years, and that person may carry over no unused credits from previous years
2 to offset tax under this chapter for the taxable year that includes the day on which
3 the person becomes ineligible for tax benefits, the taxable year that includes the day
4 on which the certification is revoked, or succeeding taxable years.

5 ***-1059/P3.292* SECTION 558.** 71.28 (1dm) (k) of the statutes is amended to
6 read:

7 71.28 (1dm) (k) If a person who is entitled under s. 238.395 (3) (a) 4. or s.
8 560.795 (3) (a) 4., 2009 stats., to claim tax benefits or certified under s. 238.395 (5),
9 239.398 (3), or 238.3995 (4) or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats.,
10 or s. 560.7995 (4), 2009 stats., ceases business operations in the development zone
11 during any of the taxable years that that zone exists, that person may not carry over
12 to any taxable year following the year during which operations cease any unused
13 credits from the taxable year during which operations cease or from previous taxable
14 years.

15 ***-1059/P3.293* SECTION 559.** 71.28 (1ds) (a) 1. of the statutes is amended to
16 read:

17 71.28 (1ds) (a) 1. "Development zone" means a zone designated under s. 560.71,
18 2009 stats.

19 ***-1059/P3.294* SECTION 560.** 71.28 (1ds) (b) of the statutes is amended to
20 read:

21 71.28 (1ds) (b) Except as provided in pars. (dm) and (e) and s. 73.03 (35), for
22 any taxable year for which the person is certified under s. 560.765 (3), 2009 stats.,
23 for tax benefits, any person may claim as a credit against taxes otherwise due under
24 this chapter the taxes paid under subchs. III and V of ch. 77 on their purchases, leases
25 and rentals of eligible property. Partnerships, limited liability companies and

1 tax-option corporations may not claim the credit under this subsection, but the
2 eligibility for, and the amount of, that credit shall be determined on the basis of their
3 economic activity, not that of their partners, members or shareholders. The
4 partnership, limited liability company or corporation shall compute the amount of
5 credit that may be claimed by each of its partners, members or shareholders and
6 shall provide that information to its partners, members or shareholders. Partners,
7 members of limited liability companies and shareholders of tax-option corporations
8 may claim the credit based on the partnership's, company's or corporation's activities
9 in proportion to their ownership interest.

10 ***-1059/P3.295* SECTION 561.** 71.28 (1ds) (d) 1. of the statutes is amended to
11 read:

12 71.28 (1ds) (d) 1. A copy of the claimant's certification for tax benefits under
13 s. 560.765 (3), 2009 stats.

14 ***-1059/P3.296* SECTION 562.** 71.28 (1ds) (i) of the statutes is amended to read:

15 71.28 (1ds) (i) The development zones credit under this subsection, as it applies
16 to a person certified under s. 560.765 (3), 2009 stats., applies to a corporation that
17 conducts economic activity in a development opportunity zone under s. 560.795 (1),
18 2009 stats., and that is entitled to tax benefits under s. 560.795 (3), 2009 stats.,
19 subject to the limits under s. 560.795 (2), 2009 stats. A development opportunity
20 zone credit under this paragraph may be calculated using expenses incurred by a
21 claimant beginning on the effective date under s. 560.795 (2) (a), 2009 stats., of the
22 development opportunity zone designation of the area in which the claimant
23 conducts economic activity.

24 ***-1059/P3.297* SECTION 563.** 71.28 (1dx) (a) 2. of the statutes is amended to
25 read:

1 71.28 (1dx) (a) 2. "Development zone" means a development zone under s.
2 238.30 or s. 560.70, 2009 stats., a development opportunity zone under s. 238.395 or
3 s. 560.795, 2009 stats., an enterprise development zone under s. 238.397 or s.
4 560.797, 2009 stats., an agricultural development zone under s. 238.398 or s.
5 560.798, 2009 stats., or an airport development zone under s. 238.3995 or s.
6 560.7995, 2009 stats.

7 ***-1059/P3.298* SECTION 564.** 71.28 (1dx) (b) (intro.) of the statutes is amended
8 to read:

9 71.28 (1dx) (b) *Credit.* (intro.) Except as provided in pars. (be) and (bg) and
10 in s. 73.03 (35), and subject to s. 238.385 or s. 560.785, 2009 stats., for any taxable
11 year for which the person is entitled under s. 238.395 (3) or s. 560.795 (3), 2009 stats.,
12 to claim tax benefits or certified under s. 238.365 (3), 238.397 (4), 238.398 (3), or
13 238.3995 (4) or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3),
14 2009 stats., or s. 560.7995 (4), 2009 stats., any person may claim as a credit against
15 the taxes otherwise due under this chapter the following amounts:

16 ***-1059/P3.299* SECTION 565.** 71.28 (1dx) (b) 2. of the statutes is amended to
17 read:

18 71.28 (1dx) (b) 2. The amount determined by multiplying the amount
19 determined under s. 238.385 (1) (b) or s. 560.785 (1) (b), 2009 stats., by the number
20 of full-time jobs created in a development zone and filled by a member of a targeted
21 group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the
22 subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

23 ***-1059/P3.300* SECTION 566.** 71.28 (1dx) (b) 3. of the statutes is amended to
24 read:

1 71.28 (1dx) (b) 3. The amount determined by multiplying the amount
2 determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number
3 of full-time jobs created in a development zone and not filled by a member of a
4 targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or
5 the subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

6 ***-1059/P3.301* SECTION 567.** 71.28 (1dx) (b) 4. of the statutes is amended to
7 read:

8 71.28 (1dx) (b) 4. The amount determined by multiplying the amount
9 determined under s. 238.385 (1) (bm) or s. 560.785 (1) (bm), 2009 stats., by the
10 number of full-time jobs retained, as provided in the rules under s. 238.385 or s.
11 560.785, 2009 stats., excluding jobs for which a credit has been claimed under sub.
12 (1dj), in an enterprise development zone under s. 238.397 or s. 560.797, 2009 stats.,
13 and for which significant capital investment was made and by then subtracting the
14 subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid
15 under s. 49.147 (3m) (c) for those jobs.

16 ***-1059/P3.302* SECTION 568.** 71.28 (1dx) (b) 5. of the statutes is amended to
17 read:

18 71.28 (1dx) (b) 5. The amount determined by multiplying the amount
19 determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number
20 of full-time jobs retained, as provided in the rules under s. 238.385 or s. 560.785,
21 2009 stats., excluding jobs for which a credit has been claimed under sub. (1dj), in
22 a development zone and not filled by a member of a targeted group and by then
23 subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and
24 reimbursements paid under s. 49.147 (3m) (c) for those jobs.

1 ***-1059/P3.303* SECTION 569.** 71.28 (1dx) (be) of the statutes is amended to
2 read:

3 71.28 (1dx) (be) *Offset.* A claimant in a development zone under s. 238.395
4 (1) (e) or s. 560.795 (1) (e), 2009 stats., may offset any credits claimed under this
5 subsection, including any credits carried over, against the amount of the tax
6 otherwise due under this subchapter attributable to all of the claimant's income and
7 against the tax attributable to income from directly related business operations of
8 the claimant.

9 ***-1059/P3.304* SECTION 570.** 71.28 (1dx) (bg) of the statutes is amended to
10 read:

11 71.28 (1dx) (bg) *Other entities.* For claimants in a development zone under s.
12 238.395 (1) (e) or s. 560.795 (1) (e), 2009 stats., partnerships, limited liability
13 companies, and tax-option corporations may not claim the credit under this
14 subsection, but the eligibility for, and amount of, that credit shall be determined on
15 the basis of their economic activity, not that of their shareholders, partners, or
16 members. The corporation, partnership, or company shall compute the amount of
17 the credit that may be claimed by each of its shareholders, partners, or members and
18 shall provide that information to each of its shareholders, partners, or members.
19 Partners, members of limited liability companies, and shareholders of tax-option
20 corporations may claim the credit based on the partnership's, company's, or
21 corporation's activities in proportion to their ownership interest and may offset it
22 against the tax attributable to their income.

23 ***-1059/P3.305* SECTION 571.** 71.28 (1dx) (c) of the statutes is amended to
24 read:

1 71.28 (1dx) (c) *Credit precluded.* If the certification of a person for tax benefits
2 under s. 238.365 (3), 238.397 (4), 238.398 (3), or 238.3995 (4) or s. 560.765 (3), 2009
3 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009
4 stats., is revoked, or if the person becomes ineligible for tax benefits under s. 238.395
5 (3) or s. 560.795 (3), 2009 stats., that person may not claim credits under this
6 subsection for the taxable year that includes the day on which the certification is
7 revoked; the taxable year that includes the day on which the person becomes
8 ineligible for tax benefits; or succeeding taxable years and that person may not carry
9 over unused credits from previous years to offset tax under this chapter for the
10 taxable year that includes the day on which certification is revoked; the taxable year
11 that includes the day on which the person becomes ineligible for tax benefits; or
12 succeeding taxable years.

13 ***-1059/P3.306* SECTION 572.** 71.28 (1dx) (d) of the statutes is amended to
14 read:

15 71.28 (1dx) (d) *Carry-over precluded.* If a person who is entitled under s.
16 238.395 (3) or s. 560.795 (3), 2009 stats., to claim tax benefits or certified under s.
17 238.365 (3), 238.397 (4), 238.398 (3), or 238.3995 (4) or s. 560.765 (3), 2009 stats., s.
18 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., for
19 tax benefits ceases business operations in the development zone during any of the
20 taxable years that that zone exists, that person may not carry over to any taxable
21 year following the year during which operations cease any unused credits from the
22 taxable year during which operations cease or from previous taxable years.

23 ***-1059/P3.307* SECTION 573.** 71.28 (1dy) (a) of the statutes is amended to
24 read:

1 71.28 (1dy) (a) *Definition*. In this subsection, “claimant” means a person who
2 files a claim under this subsection and is certified under s. 238.301 (2) or s. 560.701
3 (2), 2009 stats., and authorized to claim tax benefits under s. 238.303 or s. 560.703,
4 2009 stats.

5 ***-1059/P3.308* SECTION 574.** 71.28 (1dy) (b) of the statutes is amended to
6 read:

7 71.28 (1dy) (b) *Filing claims*. Subject to the limitations under this subsection
8 and ss. 238.301 to 238.306 or s. 560.701 to 560.706, 2009 stats., for taxable years
9 beginning after December 31, 2008, a claimant may claim as a credit against the tax
10 imposed under s. 71.23, up to the amount of the tax, the amount authorized for the
11 claimant under s. 238.303 or s. 560.703, 2009 stats.

12 ***-1059/P3.309* SECTION 575.** 71.28 (1dy) (c) 1. of the statutes is amended to
13 read:

14 71.28 (1dy) (c) 1. No credit may be allowed under this subsection unless the
15 claimant includes with the claimant’s return a copy of the claimant’s certification
16 under s. 238.301 (2) or s. 560.701 (2), 2009 stats., and a copy of the claimant’s notice
17 of eligibility to receive tax benefits under s. 238.303 (3) or s. 560.703 (3), 2009 stats.

18 ***-1059/P3.310* SECTION 576.** 71.28 (1dy) (c) 2. of the statutes is amended to
19 read:

20 71.28 (1dy) (c) 2. Partnerships, limited liability companies, and tax-option
21 corporations may not claim the credit under this subsection, but the eligibility for,
22 and the amount of, the credit are based on their authorization to claim tax benefits
23 under s. 238.303 or s. 560.703, 2009 stats. A partnership, limited liability company,
24 or tax-option corporation shall compute the amount of credit that each of its
25 partners, members, or shareholders may claim and shall provide that information

1 to each of them. Partners, members of limited liability companies, and shareholders
2 of tax-option corporations may claim the credit in proportion to their ownership
3 interests.

4 ***-1059/P3.311* SECTION 577.** 71.28 (1dy) (d) 2. of the statutes is amended to
5 read:

6 71.28 (1dy) (d) 2. If a claimant's certification is revoked under s. 238.305 or s.
7 560.705, 2009 stats., or if a claimant becomes ineligible for tax benefits under s.
8 238.302 or s. 560.702, 2009 stats., the claimant may not claim credits under this
9 subsection for the taxable year that includes the day on which the certification is
10 revoked; the taxable year that includes the day on which the claimant becomes
11 ineligible for tax benefits; or succeeding taxable years and the claimant may not
12 carry over unused credits from previous years to offset the tax imposed under s. 71.23
13 for the taxable year that includes the day on which certification is revoked; the
14 taxable year that includes the day on which the claimant becomes ineligible for tax
15 benefits; or succeeding taxable years.

16 ***-1059/P3.312* SECTION 578.** 71.28 (3g) (a) (intro.) of the statutes is amended
17 to read:

18 71.28 (3g) (a) (intro.) Subject to the limitations under this subsection and ss.
19 73.03 (35m) and 238.23 and s. 560.96, 2009 stats., a business that is certified under
20 s. 238.23 (3) or s. 560.96 (3), 2009 stats., may claim as a credit against the taxes
21 imposed under s. 71.23 an amount equal to the sum of the following, as established
22 under s. 238.23 (3) (c) or s. 560.96 (3) (c), 2009 stats.:

23 ***-1059/P3.313* SECTION 579.** 71.28 (3g) (b) of the statutes is amended to read:

1 71.28 (3g) (b) The department of revenue shall notify the department of
2 commerce or the Wisconsin Economic Development Corporation of all claims under
3 this subsection.

4 ***-1059/P3.314* SECTION 580.** 71.28 (3g) (e) 2. of the statutes is amended to
5 read:

6 71.28 (3g) (e) 2. The investments that relate to the amount described under par.
7 (a) 2. for which a claimant makes a claim under this subsection must be retained for
8 use in the technology zone for the period during which the claimant's business is
9 certified under s. 238.23 (3) or s. 560.96 (3), 2009 stats.

10 ***-1059/P3.315* SECTION 581.** 71.28 (3g) (f) 1. of the statutes is amended to
11 read:

12 71.28 (3g) (f) 1. A copy of ~~a~~ the verification from the department of commerce
13 that the claimant's business is certified under s. 238.23 (3) or s. 560.96 (3), 2009
14 stats., and that the business and the department of commerce have has entered into
15 an agreement under s. 238.23 (3) (d) or s. 560.96 (3) (d), 2009 stats.

16 ***-1059/P3.316* SECTION 582.** 71.28 (3g) (f) 2. of the statutes is amended to
17 read:

18 71.28 (3g) (f) 2. A statement from the department of commerce or the Wisconsin
19 Economic Development Corporation verifying the purchase price of the investment
20 described under par. (a) 2. and verifying that the investment fulfills the requirement
21 under par. (e) 2.

22 ***-1059/P3.317* SECTION 583.** 71.28 (3p) (b) of the statutes is amended to read:

23 71.28 (3p) (b) *Filing claims.* Subject to the limitations provided in this
24 subsection and s. 93.535 or s. 560.207, 2009 stats., except as provided in par. (c) 5.,
25 for taxable years beginning after December 31, 2006, and before January 1, 2015, a

1 claimant may claim as a credit against the taxes imposed under s. 71.23, up to the
2 amount of the tax, an amount equal to 10 percent of the amount the claimant paid
3 in the taxable year for dairy manufacturing modernization or expansion related to
4 the claimant's dairy manufacturing operation.

5 ***-1059/P3.318* SECTION 584.** 71.28 (3p) (c) 2m. a. of the statutes is amended
6 to read:

7 71.28 (3p) (c) 2m. a. The maximum amount of the credits that may be claimed
8 under this subsection and ss. 71.07 (3p) and 71.47 (3p) in fiscal year 2007-08 is
9 \$600,000, as allocated under s. 560.207, 2009 stats.

10 ***-1059/P3.319* SECTION 585.** 71.28 (3p) (c) 2m. b. of the statutes is amended
11 to read:

12 71.28 (3p) (c) 2m. b. The maximum amount of the credits that may be claimed
13 by all claimants, other than members of dairy cooperatives, under this subsection
14 and ss. 71.07 (3p) and 71.47 (3p) in fiscal year 2008-09, and in each fiscal year
15 thereafter, is \$700,000, as allocated under s. 93.535 or s. 560.207, 2009 stats.

16 ***-1059/P3.320* SECTION 586.** 71.28 (3p) (c) 2m. bm. of the statutes is amended
17 to read:

18 71.28 (3p) (c) 2m. bm. The maximum amount of the credits that may be claimed
19 by members of dairy cooperatives under this subsection and ss. 71.07 (3p) and 71.47
20 (3p) in fiscal year 2009-10 is \$600,000, as allocated under s. 560.207, 2009 stats., and
21 the maximum amount of the credits that may be claimed by members of dairy
22 cooperatives under this subsection and ss. 71.07 (3p) and 71.47 (3p) in fiscal year
23 2010-11, and in each fiscal year thereafter, is \$700,000, as allocated under s. 93.535
24 or s. 560.207, 2009 stats.

1 ***-1059/P3.321* SECTION 587.** 71.28 (3p) (c) 6. of the statutes is amended to
2 read:

3 71.28 (3p) (c) 6. No credit may be allowed under this subsection unless the
4 claimant submits with the claimant's return a copy of the claimant's credit
5 certification and allocation under s. 93.535 or s. 560.207, 2009 stats.

6 ***-1059/P3.322* SECTION 588.** 71.28 (3q) (a) 1. of the statutes is amended to
7 read:

8 71.28 (3q) (a) 1. "Claimant" means a person certified to receive tax benefits
9 under s. 238.16 (2) or s. 560.2055 (2), 2009 stats.

10 ***-1059/P3.323* SECTION 589.** 71.28 (3q) (a) 2. of the statutes is amended to
11 read:

12 71.28 (3q) (a) 2. "Eligible employee" means, for taxable years beginning before
13 January 1, 2011, an eligible employee under s. 560.2055 (1) (b), 2009 stats., who
14 satisfies the wage requirements under s. 560.2055 (3) (a) or (b), 2009 stats., or, for
15 taxable years beginning after December 31, 2010, an eligible employee under s.
16 238.16 (1) (b).

17 ***-1059/P3.324* SECTION 590.** 71.28 (3q) (b) (intro.) of the statutes is amended
18 to read:

19 71.28 (3q) (b) *Filing claims.* (intro.) Subject to the limitations provided in this
20 subsection and s. 238.16 or s. 560.2055, 2009 stats., for taxable years beginning after
21 December 31, 2009, a claimant may claim as a credit against the taxes imposed under
22 s. 71.23 any of the following:

23 ***-1059/P3.325* SECTION 591.** 71.28 (3q) (b) 1. of the statutes is amended to
24 read:

1 71.28 (3q) (b) 1. The amount of wages that the claimant paid to an eligible
2 employee in the taxable year, not to exceed 10 percent of such wages, as determined
3 ~~by the department of commerce~~ under s. 238.16 or s. 560.2055, 2009 stats.

4 ***-1059/P3.326* SECTION 592.** 71.28 (3q) (b) 2. of the statutes is amended to
5 read:

6 71.28 (3q) (b) 2. The amount of the costs incurred by the claimant in the taxable
7 year, as determined under s. 238.16 or s. 560.2055, 2009 stats., to undertake the
8 training activities described under s. 238.16 (3) (c) or s. 560.2055 (3) (c), 2009 stats.

9 ***-1059/P3.327* SECTION 593.** 71.28 (3q) (c) 2. of the statutes is amended to
10 read:

11 71.28 (3q) (c) 2. No credit may be allowed under this subsection unless the
12 claimant includes with the claimant's return a copy of the claimant's certification for
13 tax benefits under s. 238.16 (2) or s. 560.2055 (2), 2009 stats.

14 ***-1059/P3.328* SECTION 594.** 71.28 (3q) (c) 3. of the statutes is amended to
15 read:

16 71.28 (3q) (c) 3. The maximum amount of credits that may be awarded under
17 this subsection and ss. 71.07 (3q) and 71.47 (3q) for the period beginning on January
18 1, 2010, and ending on June 30, 2013, is \$14,500,000, not including the amount of
19 any credits reallocated under s. 238.15 (3) (d) or s. 560.205 (3) (d), 2009 stats.

20 ***-1059/P3.329* SECTION 595.** 71.28 (3r) (b) of the statutes is amended to read:

21 71.28 (3r) (b) *Filing claims.* Subject to the limitations provided in this
22 subsection and s. 238.19 or s. 560.208, 2009 stats., for taxable years beginning after
23 December 31, 2008, and before January 1, 2017, a claimant may claim as a credit
24 against the taxes imposed under s. 71.23, up to the amount of the tax, an amount
25 equal to 10 percent of the amount the claimant paid in the taxable year for meat

1 processing modernization or expansion related to the claimant's meat processing
2 operation.

3 ***-1059/P3.330* SECTION 596.** 71.28 (3r) (c) 3. a. of the statutes is amended to
4 read:

5 71.28 (3r) (c) 3. a. The maximum amount of the credits that may be allocated
6 under this subsection and ss. 71.07 (3r) and 71.47 (3r) in fiscal year 2009-10 is
7 \$300,000, as allocated under s. 560.208, 2009 stats.

8 ***-1059/P3.331* SECTION 597.** 71.28 (3r) (c) 3. b. of the statutes is amended to
9 read:

10 71.28 (3r) (c) 3. b. The maximum amount of the credits that may be allocated
11 under this subsection and ss. 71.07 (3r) and 71.47 (3r) in fiscal year 2010-11, and in
12 each fiscal year thereafter, is \$700,000, as allocated under s. 238.19 or s. 560.208,
13 2009 stats.

14 ***-1059/P3.332* SECTION 598.** 71.28 (3r) (c) 6. of the statutes is amended to
15 read:

16 71.28 (3r) (c) 6. No credit may be allowed under this subsection unless the
17 claimant submits with the claimant's return a copy of the claimant's credit
18 certification and allocation under s. 238.19 or s. 560.208, 2009 stats.

19 ***-1059/P3.333* SECTION 599.** 71.28 (3rm) (b) of the statutes is amended to
20 read:

21 71.28 (3rm) (b) *Filing claims.* Subject to the limitations provided in this
22 subsection and s. 238.21 or s. 560.209, 2009 stats., for taxable years beginning after
23 December 31, 2009, and before January 1, 2016, a claimant may claim as a credit
24 against the taxes imposed under s. 71.23, up to the amount of the tax, an amount
25 equal to 10 percent of the amount the claimant paid in the taxable year for equipment

1 that is used primarily to harvest or process woody biomass that is used as fuel or as
2 a component of fuel.

3 ***-1059/P3.334* SECTION 600.** 71.28 (3rm) (c) 3. of the statutes is amended to
4 read:

5 71.28 (3rm) (c) 3. The maximum amount of the credits that may be claimed
6 under this subsection and ss. 71.07 (3rm) and 71.47 (3rm) is \$900,000, as allocated
7 under s. 238.21 or s. 560.209, 2009 stats.

8 ***-1059/P3.335* SECTION 601.** 71.28 (3rn) (b) of the statutes is amended to
9 read:

10 71.28 (3rn) (b) *Filing claims.* Subject to the limitations provided in this
11 subsection and s. ~~506.2056~~ 238.17 or s. 560.2056, 2009 stats., for taxable years
12 beginning after December 31, 2009, and before January 1, 2017, a claimant may
13 claim as a credit against the tax imposed under s. 71.23, up to the amount of the tax,
14 an amount equal to 10 percent of the amount the claimant paid in the taxable year
15 for food processing or food warehousing modernization or expansion related to the
16 operation of the claimant's food processing plant or food warehouse.

17 ***-1059/P3.336* SECTION 602.** 71.28 (3rn) (c) 3. a. of the statutes is amended
18 to read:

19 71.28 (3rn) (c) 3. a. The maximum amount of the credits that may be allocated
20 under this subsection and ss. 71.07 (3rn) and 71.47 (3rn) in fiscal year 2009-10 is
21 \$1,000,000, as allocated under s. 560.2056, 2009 stats.

22 ***-1059/P3.337* SECTION 603.** 71.28 (3rn) (c) 3. b. of the statutes is amended
23 to read:

1 71.28 (3rn) (c) 3. b. The maximum amount of the credits that may be allocated
2 under this subsection and ss. 71.07 (3rn) and 71.47 (3rn) in fiscal year 2010-11 is
3 \$1,200,000, as allocated under s. 560.2056, 2009 stats.

4 ***-1059/P3.338* SECTION 604.** 71.28 (3rn) (c) 3. c. of the statutes is amended
5 to read:

6 71.28 (3rn) (c) 3. c. The maximum amount of the credits that may be allocated
7 under this subsection and ss. 71.07 (3rn) and 71.47 (3rn) in fiscal year 2011-12, and
8 in each year thereafter, is \$700,000, as allocated under s. 238.17 or s. 560.2056, 2009
9 stats.

10 ***-1059/P3.339* SECTION 605.** 71.28 (3rn) (c) 6. of the statutes is amended to
11 read:

12 71.28 (3rn) (c) 6. No credit may be allowed under this subsection unless the
13 claimant submits with the claimant's return a copy of the claimant's credit
14 certification and allocation under s. 238.17 or s. 560.2056, 2009 stats.

15 ***-1059/P3.340* SECTION 606.** 71.28 (3t) (b) of the statutes is amended to read:

16 71.28 (3t) (b) *Credit.* Subject to the limitations provided in this subsection and
17 in s. 560.28, 2009 stats., for taxable years beginning after December 31, 2007, a
18 claimant may claim as a credit, amortized over 15 taxable years starting with the
19 taxable year beginning after December 31, 2007, against the tax imposed under s.
20 71.23, up to the amount of the tax, an amount equal to the claimant's unused credits
21 under s. 71.28 (3).

22 ***-1059/P3.341* SECTION 607.** 71.28 (3t) (c) 1. of the statutes is amended to
23 read:

24 71.28 (3t) (c) 1. No credit may be claimed under this subsection unless the
25 claimant submits with the claimant's return a copy of the claimant's certification by

1 the department of commerce under s. 560.28, 2009 stats., except that, with regard
2 to credits claimed by partners of a partnership, members of a limited liability
3 company, or shareholders of a tax-option corporation, the entity shall provide a copy
4 of its certification under s. 560.28, 2009 stats., to the partner, member, or shareholder
5 to submit with his or her return.

6 ***-1059/P3.342* SECTION 608.** 71.28 (3w) (a) 2. of the statutes is amended to
7 read:

8 71.28 (3w) (a) 2. "Claimant" means a person who is certified to claim tax
9 benefits under s. 238.399 (5) or s. 560.799 (5), 2009 stats., and who files a claim under
10 this subsection.

11 ***-1059/P3.343* SECTION 609.** 71.28 (3w) (a) 3. of the statutes is amended to
12 read:

13 71.28 (3w) (a) 3. "Full-time employee" means a full-time employee, as defined
14 in s. 238.399 (1) (am) or s. 560.799 (1) (am), 2009 stats.

15 ***-1059/P3.344* SECTION 610.** 71.28 (3w) (a) 4. of the statutes is amended to
16 read:

17 71.28 (3w) (a) 4. "Enterprise zone" means a zone designated under s. 238.399
18 or s. 560.799, 2009 stats.

19 ***-1059/P3.345* SECTION 611.** 71.28 (3w) (a) 5d. of the statutes is amended to
20 read:

21 71.28 (3w) (a) 5d. "Tier I county or municipality" means a tier I county or
22 municipality, as determined ~~by the department of commeree~~ under s. 238.399 or s.
23 560.799, 2009 stats.

24 ***-1059/P3.346* SECTION 612.** 71.28 (3w) (a) 5e. of the statutes is amended to
25 read:

1 71.28 (3w) (a) 5e. "Tier II county or municipality" means a tier II county or
2 municipality, as determined ~~by the department of commerce~~ under s. 238.399 or s.
3 560.799, 2009 stats.

4 ***-1059/P3.347* SECTION 613.** 71.28 (3w) (b) (intro.) of the statutes is amended
5 to read:

6 71.28 (3w) (b) *Filing claims; payroll.* (intro.) Subject to the limitations
7 provided in this subsection and s. 238.399 or s. 560.799, 2009 stats., a claimant may
8 claim as a credit against the tax imposed under s. 71.23 an amount calculated as
9 follows:

10 ***-1059/P3.348* SECTION 614.** 71.28 (3w) (b) 5. of the statutes is amended to
11 read:

12 71.28 (3w) (b) 5. Multiply the amount determined under subd. 4. by the
13 percentage determined ~~by the department of commerce~~ under s. 238.399 or s.
14 560.799, 2009 stats., not to exceed 7 percent.

15 ***-1059/P3.349* SECTION 615.** 71.28 (3w) (bm) 1. of the statutes is amended to
16 read:

17 71.28 (3w) (bm) 1. In addition to the credits under par. (b) and subds. 2., 3., and
18 4., and subject to the limitations provided in this subsection and s. 238.399 or s.
19 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under
20 s. 71.23 an amount equal to a percentage, as determined ~~by the department of~~
21 ~~commerce~~ under s. 238.399 or s. 560.799, 2009 stats., not to exceed 100 percent, of
22 the amount the claimant paid in the taxable year to upgrade or improve the
23 job-related skills of any of the claimant's full-time employees, to train any of the
24 claimant's full-time employees on the use of job-related new technologies, or to
25 provide job-related training to any full-time employee whose employment with the

1 claimant represents the employee's first full-time job. This subdivision does not
2 apply to employees who do not work in an enterprise zone.

3 ***-1059/P3.350* SECTION 616.** 71.28 (3w) (bm) 2. of the statutes is amended to
4 read:

5 71.28 (3w) (bm) 2. In addition to the credits under par. (b) and subds. 1., 3., and
6 4., and subject to the limitations provided in this subsection and s. 238.399 or s.
7 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under
8 s. 71.23 an amount equal to the percentage, as determined ~~by the department of~~
9 ~~commerce~~ under s. 238.399 or s. 560.799, 2009 stats., not to exceed 7 percent, of the
10 claimant's zone payroll paid in the taxable year to all of the claimant's full-time
11 employees whose annual wages are greater than \$20,000 in a tier I county or
12 municipality, not including the wages paid to the employees determined under par.
13 (b) 1., or greater than \$30,000 in a tier II county or municipality, not including the
14 wages paid to the employees determined under par. (b) 1., and who the claimant
15 employed in the enterprise zone in the taxable year, if the total number of such
16 employees is equal to or greater than the total number of such employees in the base
17 year. A claimant may claim a credit under this subdivision for no more than 5
18 consecutive taxable years.

19 ***-1059/P3.351* SECTION 617.** 71.28 (3w) (bm) 3. of the statutes is amended to
20 read:

21 71.28 (3w) (bm) 3. In addition to the credits under par. (b) and subds. 1., 2., and
22 4., and subject to the limitations provided in this subsection and s. 238.399 or s.
23 560.799, 2009 stats., for taxable years beginning after December 31, 2008, a claimant
24 may claim as a credit against the tax imposed under s. 71.23 up to 10 percent of the

1 claimant's significant capital expenditures, as determined by the department of
2 commerce under s. 238.399 (5m) or s. 560.799 (5m), 2009 stats.

3 ***-1059/P3.352* SECTION 618.** 71.28 (3w) (bm) 4. of the statutes is amended to
4 read:

5 71.28 (3w) (bm) 4. In addition to the credits under par. (b) and subds. 1., 2., and
6 3., and subject to the limitations provided in this subsection and s. 238.399 or s.
7 560.799, 2009 stats., for taxable years beginning after December 31, 2009, a claimant
8 may claim as a credit against the tax imposed under s. 71.23, up to 1 percent of the
9 amount that the claimant paid in the taxable year to purchase tangible personal
10 property, items, property, or goods under s. 77.52 (1) (b), (c), or (d), or services from
11 Wisconsin vendors, as determined by the department of commerce under s. 238.399
12 (5) (e) or s. 560.799 (5) (e), 2009 stats., except that the claimant may not claim the
13 credit under this subdivision and subd. 3. for the same expenditures.

14 ***-1059/P3.353* SECTION 619.** 71.28 (3w) (c) 3. of the statutes is amended to
15 read:

16 71.28 (3w) (c) 3. No credit may be allowed under this subsection unless the
17 claimant includes with the claimant's return a copy of the claimant's certification for
18 tax benefits under s. 238.399 (5) or (5m) or s. 560.799 (5) or (5m), 2009 stats.

19 ***-1059/P3.354* SECTION 620.** 71.28 (3w) (d) of the statutes is amended to read:

20 71.28 (3w) (d) *Administration.* Subsection (4) (g) and (h), as it applies to the
21 credit under sub. (4), applies to the credit under this subsection. Claimants shall
22 include with their returns a copy of their certification for tax benefits, and a copy of
23 the verification of their expenses, from the department of commerce or the Wisconsin
24 Economic Development Corporation.

1 ***-1059/P3.355* SECTION 621.** 71.28 (4) (am) 1. of the statutes is amended to
2 read:

3 71.28 (4) (am) 1. In addition to the credit under par. (ad), any corporation may
4 credit against taxes otherwise due under this chapter an amount equal to 5 percent
5 of the amount obtained by subtracting from the corporation's qualified research
6 expenses, as defined in section 41 of the Internal Revenue Code, except that
7 "qualified research expenses" include only expenses incurred by the claimant in a
8 development zone under subch. II of ch. 238 or subch. VI of ch. 560, 2009 stats., except
9 that a taxpayer may elect the alternative computation under section 41 (c) (4) of the
10 Internal Revenue Code and that election applies until the department permits its
11 revocation and except that "qualified research expenses" do not include
12 compensation used in computing the credit under sub. (1dj) nor research expenses
13 incurred before the claimant is certified for tax benefits under s. 238.365 (3) or s.
14 560.765 (3), 2009 stats., the corporation's base amount, as defined in section 41 (c)
15 of the Internal Revenue Code, in a development zone, except that gross receipts used
16 in calculating the base amount means gross receipts from sales attributable to
17 Wisconsin under s. 71.25 (9) (b) 1. and 2., (df) 1. and 2., (dh) 1., 2., and 3., (dj), and
18 (dk) and research expenses used in calculating the base amount include research
19 expenses incurred before the claimant is certified for tax benefits under s. 238.365
20 (3) or s. 560.765 (3), 2009 stats., in a development zone, if the claimant submits with
21 the claimant's return a copy of the claimant's certification for tax benefits under s.
22 238.365 (3) or s. 560.765 (3), 2009 stats., and a statement from the department of
23 commerce or the Wisconsin Economic Development Corporation verifying the
24 claimant's qualified research expenses for research conducted exclusively in a
25 development zone. The rules under s. 73.03 (35) apply to the credit under this

subdivision. The rules under sub. (1d) (f) and (g) as they apply to the credit under that subsection apply to claims under this subdivision. Section 41 (h) of the Internal Revenue Code does not apply to the credit under this subdivision.

***-1059/P3.356* SECTION 622.** 71.28 (4) (am) 2. of the statutes is amended to read:

71.28 (4) (am) 2. The development zones credit under subd. 1., as it applies to a person certified under s. 238.365 (3) or s. 560.765 (3), 2009 stats., applies to a corporation that conducts economic activity in a development opportunity zone under s. 238.395 (1) or s. 560.795 (1), 2009 stats., and that is entitled to tax benefits under s. 238.395 (3) or s. 560.795 (3), 2009 stats., subject to the limits under s. 238.395 (2) or s. 560.795 (2), 2009 stats. A development opportunity zone credit under this subdivision may be calculated using expenses incurred by a claimant beginning on the effective date under s. 238.395 (2) (a) or s. 560.795 (2) (a), 2009 stats., of the development opportunity zone designation of the area in which the claimant conducts economic activity.

***-1059/P3.357* SECTION 623.** 71.28 (5b) (a) 2. of the statutes is amended to read:

71.28 (5b) (a) 2. "Fund manager" means an investment fund manager certified under s. 238.15 (2) or s. 560.205 (2), 2009 stats.

***-1059/P3.358* SECTION 624.** 71.28 (5b) (b) 1. of the statutes is amended to read:

71.28 (5b) (b) 1. For taxable years beginning after December 31, 2004, subject to the limitations provided under this subsection and s. 238.15 or s. 560.205, 2009 stats., and except as provided in subd. 2., a claimant may claim as a credit against the tax imposed under s. 71.23, up to the amount of those taxes, 25 percent of the

1 claimant's investment paid to a fund manager that the fund manager invests in a
2 business certified under s. 238.15 (1) or s. 560.205 (1), 2009 stats.

3 ***-1059/P3.359* SECTION 625.** 71.28 (5b) (b) 2. of the statutes is amended to
4 read:

5 71.28 (5b) (b) 2. In the case of a partnership, limited liability company, or
6 tax-option corporation, the computation of the 25 percent limitation under subd. 1.
7 shall be determined at the entity level rather than the claimant level and may be
8 allocated among the claimants who make investments in the manner set forth in the
9 entity's organizational documents. The entity shall provide to the department of
10 revenue and to the department of commerce or the Wisconsin Economic
11 Development Corporation the names and tax identification numbers of the
12 claimants, the amounts of the credits allocated to the claimants, and the
13 computation of the allocations.

14 ***-1059/P3.360* SECTION 626.** 71.28 (5f) (a) 1. (intro.) of the statutes is
15 amended to read:

16 71.28 (5f) (a) 1. (intro.) "Accredited production" means a film, video, broadcast
17 advertisement, or television production, as approved by the department of commerce
18 or the Wisconsin Economic Development Corporation, for which the aggregate salary
19 and wages included in the cost of the production for the period ending 12 months
20 after the month in which the principal filming or taping of the production begins
21 exceeds \$50,000. "Accredited production" also means an electronic game, as
22 approved by the department of commerce or the Wisconsin Economic Development
23 Corporation, for which the aggregate salary and wages included in the cost of the
24 production for the period ending 36 months after the month in which the principal
25 programming, filming, or taping of the production begins exceeds \$100,000.

1 “Accredited production” does not include any of the following, regardless of the
2 production costs:

3 ***-1059/P3.361* SECTION 627.** 71.28 (5f) (a) 3. of the statutes is amended to
4 read:

5 71.28 (5f) (a) 3. “Production expenditures” means any expenditures that are
6 incurred in this state and directly used to produce an accredited production,
7 including expenditures for set construction and operation, wardrobes, make-up,
8 clothing accessories, photography, sound recording, sound synchronization, sound
9 mixing, lighting, editing, film processing, film transferring, special effects, visual
10 effects, renting or leasing facilities or equipment, renting or leasing motor vehicles,
11 food, lodging, and any other similar expenditure as determined by the department
12 of commerce or the Wisconsin Economic Development Corporation. “Production
13 expenditures” do not include salary, wages, or labor-related contract payments.

14 ***-1059/P3.362* SECTION 628.** 71.28 (5f) (c) 6. of the statutes is amended to
15 read:

16 71.28 (5f) (c) 6. No credit may be allowed under this subsection unless the
17 claimant files an application with the department of commerce or the Wisconsin
18 Economic Development Corporation, at the time and in the manner prescribed by the
19 department of commerce or the Wisconsin Economic Development Corporation, and
20 the department of commerce or the Wisconsin Economic Development Corporation
21 approves the application. The claimant shall submit a fee with the application in an
22 amount equal to 2 percent of the claimant’s budgeted production expenditures or to
23 \$5,000, whichever is less. The claimant shall submit a copy of the approved
24 application with the claimant’s return.

1 ***-1059/P3.363* SECTION 629.** 71.28 (5h) (c) 4. of the statutes is amended to
2 read:

3 71.28 (5h) (c) 4. No claim may be allowed under this subsection unless the
4 department of commerce or the Wisconsin Economic Development Corporation
5 certifies, in writing, that the credits claimed under this subsection are for expenses
6 related to establishing or operating a film production company in this state and the
7 claimant submits a copy of the certification with the claimant's return.

8 ***-1059/P3.364* SECTION 630.** 71.28 (5i) (c) 1. of the statutes is amended to
9 read:

10 71.28 (5i) (c) 1. The maximum amount of the credits that may be claimed under
11 this subsection and ss. 71.07 (5i) and 71.47 (5i) in a taxable year is \$10,000,000, as
12 allocated under s. 238.14 or s. 560.204, 2009 stats.

13 ***-1059/P3.365* SECTION 631.** 71.28 (5j) (a) 2d. of the statutes is amended to
14 read:

15 71.28 (5j) (a) 2d. "Diesel replacement renewable fuel" includes biodiesel and
16 any other fuel derived from a renewable resource that meets all of the applicable
17 requirements of the American Society for Testing and Materials for that fuel and that
18 the department of commerce or the Wisconsin Economic Development Corporation
19 designates by rule as a diesel replacement renewable fuel.

20 ***-1059/P3.366* SECTION 632.** 71.28 (5j) (a) 2m. of the statutes is amended to
21 read:

22 71.28 (5j) (a) 2m. "Gasoline replacement renewable fuel" includes ethanol and
23 any other fuel derived from a renewable resource that meets all of the applicable
24 requirements of the American Society for Testing and Materials for that fuel and that

department of safety and professional services

department of safety and professional services

1 the department of commerce or the Wisconsin Economic Development Corporation
2 designates by rule as a gasoline replacement renewable fuel.

3 ***-1059/P3.367* SECTION 633.** 71.28 (5j) (c) 3. of the statutes is amended to
4 read:

5 71.28 (5j) (c) 3. The department of commerce or the Wisconsin Economic
6 Development Corporation shall establish standards to adequately prevent, in the
7 distribution of conventional fuel to an end user, the inadvertent distribution of fuel
8 containing a higher percentage of renewable fuel than the maximum percentage
9 established by the federal environmental protection agency for use in
10 conventionally-fueled engines.

11 ***-1059/P3.368* SECTION 634.** 71.47 (1dd) (b) of the statutes is amended to
12 read:

13 71.47 (1dd) (b) Except as provided in s. 73.03 (35), for any taxable year for
14 which that person is certified under s. 560.765 (3), 2009 stats., and begins business
15 operations in a zone under s. 560.71, 2009 stats., after July 29, 1995, or certified
16 under s. 560.797 (4) (a), 2009 stats., for each zone for which the person is certified
17 or entitled a person may credit against taxes otherwise due under this subchapter
18 employment-related day care expenses, up to \$1,200 for each qualifying individual.

19 ***-1059/P3.369* SECTION 635.** 71.47 (1de) (a) (intro.) of the statutes is amended
20 to read:

21 71.47 (1de) (a) (intro.) Except as provided in s. 73.03 (35), for any taxable year
22 for which a person is certified under s. 560.765 (3), 2009 stats., and begins business
23 operations in a zone under s. 560.71, 2009 stats., after July 29, 1995, or certified
24 under s. 560.797 (4) (a), 2009 stats., for each zone for which the person is certified
25 or entitled the person may claim as a credit against taxes otherwise due under this

1 subchapter an amount equal to 7.5% of the amount that the person expends to
2 remove or contain environmental pollution, as defined in s. 299.01 (4), in the zone or
3 to restore soil or groundwater that is affected by environmental pollution, as defined
4 in s. 299.01 (4), in the zone if the person fulfills all of the following requirements:

5 ***-1059/P3.370* SECTION 636.** 71.47 (1de) (a) 1. of the statutes is amended to
6 read:

7 71.47 (1de) (a) 1. Begins the work, other than planning and investigating, for
8 which the credit is claimed after the area that includes the site where the work is
9 done is designated a development zone under s. 560.71, 2009 stats., or an enterprise
10 development zone under s. 560.797, 2009 stats., and after the claimant is certified
11 under s. 560.765 (3), 2009 stats., or certified under s. 560.797 (4) (a), 2009 stats.

12 ***-1059/P3.371* SECTION 637.** 71.47 (1di) (a) (intro.) of the statutes is amended
13 to read:

14 71.47 (1di) (a) (intro.) Except as provided in pars. (dm) and (f) and s. 73.03 (35),
15 for any taxable year for which the person is entitled under s. 560.795 (3), 2009 stats.,
16 to claim tax benefits, any person may claim as a credit against taxes otherwise due
17 under this chapter 2.5% of the purchase price of depreciable, tangible personal
18 property, or 1.75% of the purchase price of depreciable, tangible personal property
19 that is expensed under section 179 of the internal revenue code for purposes of the
20 taxes under this chapter, except that:

21 ***-1059/P3.372* SECTION 638.** 71.47 (1di) (a) 1. of the statutes is amended to
22 read:

23 71.47 (1di) (a) 1. The investment must be in property that is purchased after
24 the person is entitled under s. 560.795 (3), 2009 stats., to claim tax benefits and that
25 is used for at least 50% of its use in the conduct of the person's business operations

1 at a location in a development zone under subch. VI of ch. 560, 2009 stats., or, if the
2 property is mobile, the base of operations of the property for at least 50% of its use
3 must be a location in a development zone.

4 ***-1059/P3.373* SECTION 639.** 71.47 (1di) (b) 2. of the statutes is amended to
5 read:

6 71.47 (1di) (b) 2. If the claimant is located on an Indian reservation, as defined
7 in s. 560.86 (5), 2009 stats., and is an American Indian, as defined in s. 560.86 (1),
8 2009 stats., an Indian business, as defined in s. 560.86 (4), 2009 stats., or a tribal
9 enterprise, as defined in s. 71.07 (2di) (b) 2., and if the allowable amount of the credit
10 under this subsection exceeds the taxes otherwise due under this chapter on or
11 measured by the claimant's income, the amount of the credit not used as an offset
12 against those taxes shall be certified to the department of administration for
13 payment to the claimant by check, share draft or other draft.

14 ***-1059/P3.374* SECTION 640.** 71.47 (1di) (b) 3. of the statutes is amended to
15 read:

16 71.47 (1di) (b) 3. Partnerships, limited liability companies and tax-option
17 corporations may not claim the credit under this subsection, but the eligibility for,
18 and amount of, that credit shall be determined on the basis of their economic activity,
19 not that of their shareholders, partners or members. The corporation, partnership
20 or limited liability company shall compute the amount of the credit that may be
21 claimed by each of its shareholders, partners or members and shall provide that
22 information to each of its shareholders, partners or members. Partners, members
23 of limited liability companies and shareholders of tax-option corporations may claim
24 the credit based on the partnership's, company's or corporation's activities in
25 proportion to their ownership interest and may offset it against the tax attributable

1 to their income from the partnership's, company's or corporation's business
2 operations in the development zone; except that a claimant in a development zone
3 under s. 560.795 (1) (e), 2009 stats., may offset the credit, including any credits
4 carried over, against the amount of the tax otherwise due under this chapter
5 attributable to all of the claimant's income; and against the tax attributable to their
6 income from the partnership's, company's or corporation's directly related business
7 operations.

8 ***-1059/P3.375* SECTION 641.** 71.47 (1di) (d) 1. of the statutes is amended to
9 read:

10 71.47 (1di) (d) 1. A copy of a verification from the department of commerce that
11 the claimant may claim tax benefits under s. 560.795 (3), 2009 stats.

12 ***-1059/P3.376* SECTION 642.** 71.47 (1di) (f) of the statutes is amended to read:

13 71.47 (1di) (f) If a person who is entitled under s. 560.795 (3), 2009 stats., to
14 claim tax benefits becomes ineligible for such tax benefits, that person may claim no
15 credits under this subsection for the taxable year that includes the day on which the
16 person becomes ineligible for tax benefits or succeeding taxable years and that
17 person may carry over no unused credits from previous years to offset tax under this
18 chapter for the taxable year that includes the day on which the person becomes
19 ineligible for tax benefits or succeeding taxable years.

20 ***-1059/P3.377* SECTION 643.** 71.47 (1di) (g) of the statutes is amended to read:

21 71.47 (1di) (g) If a person who is entitled under s. 560.795 (3), 2009 stats., to
22 claim tax benefits ceases business operations in the development zone during any of
23 the taxable years that that zone exists, that person may not carry over to any taxable
24 year following the year during which operations cease any unused credits from the
25 taxable year during which operations cease or from previous taxable years.

1 ***-1059/P3.378* SECTION 644.** 71.47 (1dj) (am) (intro.) of the statutes is
2 amended to read:

3 71.47 (1dj) (am) (intro.) Except as provided under par. (f) or s. 73.03 (35), for
4 any taxable year for which the person is certified under s. 560.765 (3), 2009 stats.,
5 for tax benefits, any person may claim as a credit against taxes otherwise due under
6 this chapter an amount calculated as follows:

7 ***-1059/P3.379* SECTION 645.** 71.47 (1dj) (am) 4. a. of the statutes is amended
8 to read:

9 71.47 (1dj) (am) 4. a. If certified under s. 560.765 (3), 2009 stats., for tax
10 benefits before January 1, 1992, modify "qualified wages" as defined in section 51 (b)
11 of the internal revenue code to exclude wages paid before the claimant is certified for
12 tax benefits and to exclude wages that are paid to employees for work at any location
13 that is not in a development zone under subch. VI of ch. 560, 2009 stats. For purposes
14 of this subd. 4. a., mobile employees work at their base of operations and leased or
15 rented employees work at the location where they perform services.

16 ***-1059/P3.380* SECTION 646.** 71.47 (1dj) (am) 4. b. of the statutes is amended
17 to read:

18 71.47 (1dj) (am) 4. b. If certified under s. 560.765 (3), 2009 stats., for tax
19 benefits after December 31, 1991, modify "qualified wages" as defined in section 51
20 (b) of the internal revenue code to exclude wages paid before the claimant is certified
21 for tax benefits and to exclude wages that are paid to employees for work at any
22 location that is not in a development zone under subch. VI of ch. 560, 2009 stats. For
23 purposes of this subd. 4. b., mobile employees and leased or rented employees work
24 at their base of operations.

1 ***-1059/P3.381* SECTION 647.** 71.47 (1dj) (am) 4c. of the statutes is amended
2 to read:

3 71.47 (1dj) (am) 4c. Modify the rule for ineligible individuals under section 51
4 (i) (1) of the internal revenue code to allow credit for the wages of related individuals
5 paid by an Indian business, as defined in s. 560.86 (4), 2009 stats., or a tribal
6 enterprise, as defined in s. 71.07 (2di) (b) 2., if the Indian business or tribal enterprise
7 is located in a development zone designated under s. 560.71 (3) (c) 2., 2009 stats.

8 ***-1059/P3.382* SECTION 648.** 71.47 (1dj) (am) 4t. of the statutes is amended
9 to read:

10 71.47 (1dj) (am) 4t. If certified under s. 560.765 (3), 2009 stats., for tax benefits
11 before January 1, 1992, modify section 51 (i) (3) of the internal revenue code so that
12 for leased or rented employees, except employees of a leasing agency certified for tax
13 benefits who perform services directly for the agency in a development zone, the
14 minimum employment periods apply to the time that they perform services in a
15 development zone for a single lessee or renter, not to their employment by the leasing
16 agency.

17 ***-1059/P3.383* SECTION 649.** 71.47 (1dj) (e) 1. of the statutes is amended to
18 read:

19 71.47 (1dj) (e) 1. A copy of the claimant's certification for tax benefits under s.
20 560.765 (3), 2009 stats.

21 ***-1059/P3.384* SECTION 650.** 71.47 (1dj) (e) 3. a. of the statutes is amended
22 to read:

23 71.47 (1dj) (e) 3. a. If certified under s. 560.765 (3), 2009 stats., for tax benefits
24 before January 1, 1992, a statement from the department of commerce verifying the
25 amount of qualifying wages and verifying that the employees were hired for work

1 only in a development zone or are mobile employees whose base of operations is in
2 a development zone.

3 ***-1059/P3.385* SECTION 651.** 71.47 (1dj) (e) 3. b. of the statutes is amended
4 to read:

5 71.47 (1dj) (e) 3. b. If certified under s. 560.765 (3), 2009 stats., for tax benefits
6 after December 31, 1991, a statement from the department of commerce verifying the
7 amount of qualifying wages and verifying that the employees were hired for work
8 only in a development zone or are mobile employees or leased or rented employees
9 whose base of operations is in a development zone.

10 ***-1059/P3.386* SECTION 652.** 71.47 (1dL) (a) of the statutes is amended to
11 read:

12 71.47 (1dL) (a) Except as provided in pars. (ag), (ar), (bm) and (f) and s. 73.03
13 (35), for any taxable year for which the person is certified under s. 560.765 (3), 2009
14 stats., for tax benefits, any person may claim as a credit against taxes otherwise due
15 under this subchapter an amount equal to 2.5% of the amount expended by that
16 person to acquire, construct, rehabilitate or repair real property in a development
17 zone under subch. VI of ch. 560, 2009 stats.

18 ***-1059/P3.387* SECTION 653.** 71.47 (1dL) (ag) of the statutes is amended to
19 read:

20 71.47 (1dL) (ag) If the credit under par. (a) is claimed for an amount expended
21 to construct, rehabilitate, remodel or repair property, the claimant must have begun
22 the physical work of construction, rehabilitation, remodeling or repair, or any
23 demolition or destruction in preparation for the physical work, after the place where
24 the property is located was designated a development zone under s. 560.71, 2009
25 stats., and the completed project must be placed in service after the claimant is

1 certified for tax benefits under s. 560.765 (3), 2009 stats. In this paragraph, “physical
2 work” does not include preliminary activities such as planning, designing, securing
3 financing, researching, developing specifications or stabilizing the property to
4 prevent deterioration.

5 ***-1059/P3.388* SECTION 654.** 71.47 (1dL) (ar) of the statutes is amended to
6 read:

7 71.47 (1dL) (ar) If the credit under par. (a) is claimed for an amount expended
8 to acquire property, the property must have been acquired by the claimant after the
9 place where the property is located was designated a development zone under s.
10 560.71, 2009 stats., and the completed project must be placed in service after the
11 claimant is certified for tax benefits under s. 560.765 (3), 2009 stats., and the
12 property must not have been previously owned by the claimant or a related person
13 during the 2 years prior to the designation of the development zone under s. 560.71,
14 2009 stats. No credit is allowed for an amount expended to acquire property until
15 the property, either in its original state as acquired by the claimant or as
16 subsequently constructed, rehabilitated, remodeled or repaired, is placed in service.

17 ***-1059/P3.389* SECTION 655.** 71.47 (1dL) (bm) of the statutes is amended to
18 read:

19 71.47 (1dL) (bm) In calculating the credit under par. (a) a claimant shall reduce
20 the amount expended to acquire property by a percentage equal to the percentage of
21 the area of the real property not used for the purposes for which the claimant is
22 certified to claim tax benefits under s. 560.765 (3), 2009 stats., and shall reduce the
23 amount expended for other purposes by the amount expended on the part of the
24 property not used for the purposes for which the claimant is certified to claim tax
25 benefits under s. 560.765 (3), 2009 stats.

1 ***-1059/P3.390* SECTION 656.** 71.47 (1dL) (c) of the statutes is amended to
2 read:

3 71.47 (1dL) (c) If the claimant is located on an Indian reservation, as defined
4 in s. 560.86 (5), 2009 stats., and is an American Indian, as defined in s. 560.86 (1),
5 2009 stats., an Indian business, as defined in s. 560.86 (4), 2009 stats., or a tribal
6 enterprise, as defined in s. 71.07 (2di) (b) 2., and if the allowable amount of the credit
7 under par. (a) exceeds the taxes otherwise due under this chapter on or measured by
8 the claimant's income, the amount of the credit not used as an offset against those
9 taxes shall be certified to the department of administration for payment to the
10 claimant by check, share draft or other draft.

11 ***-1059/P3.391* SECTION 657.** 71.47 (1dm) (a) 1. of the statutes is amended to
12 read:

13 71.47 (1dm) (a) 1. "Certified" means entitled under s. 238.395 (3) (a) 4. or s.
14 560.795 (3) (a) 4., 2009 stats., to claim tax benefits or certified under s. 238.395 (5),
15 238.398 (3), or 238.3995 (4) or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats.,
16 or s. 560.7995 (4), 2009 stats.

17 ***-1059/P3.392* SECTION 658.** 71.47 (1dm) (a) 3. of the statutes is amended to
18 read:

19 71.47 (1dm) (a) 3. "Development zone" means a development opportunity zone
20 under s. 238.395 (1) (e) and (f) or 238.398 or s. 560.795 (1) (e) and (f), 2009 stats., or
21 s. 560.798, 2009 stats., or an airport development zone under s. 238.3995 or s.
22 560.7995, 2009 stats.

23 ***-1059/P3.393* SECTION 659.** 71.47 (1dm) (a) 4. of the statutes is amended to
24 read:

1 71.47 (1dm) (a) 4. "Previously owned property" means real property that the
2 claimant or a related person owned during the 2 years prior to the department of
3 commerce or the Wisconsin Economic Development Corporation designating the
4 place where the property is located as a development zone and for which the claimant
5 may not deduct a loss from the sale of the property to, or an exchange of the property
6 with, the related person under section 267 of the Internal Revenue Code, except that
7 section 267 (b) of the Internal Revenue Code is modified so that if the claimant owns
8 any part of the property, rather than 50% ownership, the claimant is subject to
9 section 267 (a) (1) of the Internal Revenue Code for purposes of this subsection.

10 ***-1059/P3.394* SECTION 660.** 71.47 (1dm) (f) 1. of the statutes is amended to
11 read:

12 71.47 (1dm) (f) 1. A copy of ~~a~~ the verification from the department of commerce
13 that the claimant may claim tax benefits under s. 238.395 (3) (a) 4. or s. 560.795 (3)
14 (a) 4., 2009 stats., or is certified under s. 238.395 (5), 238.398 (3), or 238.3995 (4) or
15 s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats.

16 ***-1059/P3.395* SECTION 661.** 71.47 (1dm) (f) 2. of the statutes is amended to
17 read:

18 71.47 (1dm) (f) 2. A statement from the department of commerce or the
19 Wisconsin Economic Development Corporation verifying the purchase price of the
20 investment and verifying that the investment fulfills the requirements under par.
21 (b).

22 ***-1059/P3.396* SECTION 662.** 71.47 (1dm) (i) of the statutes is amended to
23 read:

24 71.47 (1dm) (i) Partnerships, limited liability companies, and tax-option
25 corporations may not claim the credit under this subsection, but the eligibility for,

1 and the amount of, that credit shall be determined on the basis of their economic
2 activity, not that of their shareholders, partners, or members. The corporation,
3 partnership, or limited liability company shall compute the amount of credit that
4 may be claimed by each of its shareholders, partners, or members and provide that
5 information to its shareholders, partners, or members. Partners, members of limited
6 liability companies, and shareholders of tax-option corporations may claim the
7 credit based on the partnership's, company's, or corporation's activities in proportion
8 to their ownership interest and may offset it against the tax attributable to their
9 income from the partnership's, company's, or corporation's business operations in the
10 development zone; except that partners, members, and shareholders in a
11 development zone under s. 238.395 (1) (e) or s. 560.795 (1) (e), 2009 stats., may offset
12 the credit against the amount of the tax attributable to their income.

13 ***-1059/P3.397* SECTION 663.** 71.47 (1dm) (j) of the statutes is amended to
14 read:

15 71.47 (1dm) (j) If a person who is entitled under s. 238.395 (3) (a) 4. or s. 560.795
16 (3) (a) 4., 2009 stats., to claim tax benefits becomes ineligible for such tax benefits,
17 or if a person's certification under s. 238.395 (5), 238.398 (3), or 238.3995 (4) or s.
18 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., is
19 revoked, that person may claim no credits under this subsection for the taxable year
20 that includes the day on which the person becomes ineligible for tax benefits, the
21 taxable year that includes the day on which the certification is revoked, or succeeding
22 taxable years, and that person may carry over no unused credits from previous years
23 to offset tax under this chapter for the taxable year that includes the day on which
24 the person becomes ineligible for tax benefits, the taxable year that includes the day
25 on which the certification is revoked, or succeeding taxable years.

1 ***-1059/P3.398* SECTION 664.** 71.47 (1dm) (k) of the statutes is amended to
2 read:

3 71.47 (1dm) (k) If a person who is entitled under s. 238.395 (3) (a) 4. or s.
4 560.795 (3) (a) 4., 2009 stats., to claim tax benefits or certified under s. 238.395 (5),
5 238.398 (3), or 238.3995 (4) or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats.,
6 or s. 560.7995 (4), 2009 stats., ceases business operations in the development zone
7 during any of the taxable years that that zone exists, that person may not carry over
8 to any taxable year following the year during which operations cease any unused
9 credits from the taxable year during which operations cease or from previous taxable
10 years.

11 ***-1059/P3.399* SECTION 665.** 71.47 (1ds) (a) 1. of the statutes is amended to
12 read:

13 71.47 (1ds) (a) 1. "Development zone" means a zone designated under s. 560.71,
14 2009 stats.

15 ***-1059/P3.400* SECTION 666.** 71.47 (1ds) (b) of the statutes is amended to
16 read:

17 71.47 (1ds) (b) Except as provided in pars. (dm) and (e) and s. 73.03 (35), for
18 any taxable year for which the person is certified under s. 560.765 (3), 2009 stats.,
19 for tax benefits, any person may claim as a credit against taxes otherwise due under
20 this chapter the taxes paid under subchs. III and V of ch. 77 on their purchases, leases
21 and rentals of eligible property. Partnerships, limited liability companies and
22 tax-option corporations may not claim the credit under this subsection but the
23 eligibility for, and the amount of, that credit shall be determined on the basis of their
24 economic activity, not that of their partners, members or shareholders. The
25 partnership, limited liability company or corporation shall compute the amount of

1 the credit that may be claimed by each of its partners, members or shareholders and
2 shall provide that information to each of its partners, members or shareholders.
3 Partners, members of limited liability companies and shareholders of tax-option
4 corporations may claim the credit based on the partnership's, company's or
5 corporation's activities in proportion to their ownership interest.

6 ***-1059/P3.401* SECTION 667.** 71.47 (1ds) (d) 1. of the statutes is amended to
7 read:

8 71.47 (1ds) (d) 1. A copy of the claimant's certification for tax benefits under
9 s. 560.765 (3), 2009 stats.

10 ***-1059/P3.402* SECTION 668.** 71.47 (1dx) (a) 2. of the statutes is amended to
11 read:

12 71.47 (1dx) (a) 2. "Development zone" means a development zone under s.
13 238.30 or s. 560.70, 2009 stats., a development opportunity zone under s. 238.395 or
14 s. 560.795, 2009 stats., or an enterprise development zone under s. 238.397 or s.
15 560.797, 2009 stats., an agricultural development zone under s. 238.398 or s.
16 560.798, 2009 stats., or an airport development zone under s. 238.3995 or s.
17 560.7995, 2009 stats.

18 ***-1059/P3.403* SECTION 669.** 71.47 (1dx) (b) (intro.) of the statutes is amended
19 to read:

20 71.47 (1dx) (b) *Credit.* (intro.) Except as provided in pars. (be) and (bg) and
21 in s. 73.03 (35), and subject to s. 238.385 or s. 560.785, 2009 stats., for any taxable
22 year for which the person is entitled under s. 238.395 (3) or s. 560.795 (3), 2009 stats.,
23 to claim tax benefits or certified under s. 238.365 (3), 238.397 (4), 238.398 (3), or
24 238.3995 (4) or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3),

1 2009 stats., or s. 560.7995 (4), 2009 stats., any person may claim as a credit against
2 the taxes otherwise due under this chapter the following amounts:

3 ***-1059/P3.404* SECTION 670.** 71.47 (1dx) (b) 2. of the statutes is amended to
4 read:

5 71.47 (1dx) (b) 2. The amount determined by multiplying the amount
6 determined under s. 238.385 (1) (b) or s. 560.785 (1) (b), 2009 stats., by the number
7 of full-time jobs created in a development zone and filled by a member of a targeted
8 group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the
9 subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

10 ***-1059/P3.405* SECTION 671.** 71.47 (1dx) (b) 3. of the statutes is amended to
11 read:

12 71.47 (1dx) (b) 3. The amount determined by multiplying the amount
13 determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number
14 of full-time jobs created in a development zone and not filled by a member of a
15 targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or
16 the subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

17 ***-1059/P3.406* SECTION 672.** 71.47 (1dx) (b) 4. of the statutes is amended to
18 read:

19 71.47 (1dx) (b) 4. The amount determined by multiplying the amount
20 determined under s. 238.385 (1) (bm) or s. 560.785 (1) (bm), 2009 stats., by the
21 number of full-time jobs retained, as provided in the rules under s. 238.385 or s.
22 560.785, 2009 stats., excluding jobs for which a credit has been claimed under sub.
23 (1dj), in an enterprise development zone under s. 238.397 or s. 560.797, 2009 stats.,
24 and for which significant capital investment was made and by then subtracting the

1 subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid
2 under s. 49.147 (3m) (c) for those jobs.

3 ***-1059/P3.407* SECTION 673.** 71.47 (1dx) (b) 5. of the statutes is amended to
4 read:

5 71.47 (1dx) (b) 5. The amount determined by multiplying the amount
6 determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number
7 of full-time jobs retained, as provided in the rules under s. 238.385 or s. 560.785,
8 2009 stats., excluding jobs for which a credit has been claimed under sub. (1dj), in
9 a development zone and not filled by a member of a targeted group and by then
10 subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and
11 reimbursements paid under s. 49.147 (3m) (c) for those jobs.

12 ***-1059/P3.408* SECTION 674.** 71.47 (1dx) (be) of the statutes is amended to
13 read:

14 71.47 (1dx) (be) *Offset.* A claimant in a development zone under s. 238.395 (1)
15 (e) or s. 560.795 (1) (e), 2009 stats., may offset any credits claimed under this
16 subsection, including any credits carried over, against the amount of the tax
17 otherwise due under this subchapter attributable to all of the claimant's income and
18 against the tax attributable to income from directly related business operations of
19 the claimant.

20 ***-1059/P3.409* SECTION 675.** 71.47 (1dx) (bg) of the statutes is amended to
21 read:

22 71.47 (1dx) (bg) *Other entities.* For claimants in a development zone under s.
23 238.395 (1) (e) or s. 560.795 (1) (e), 2009 stats., partnerships, limited liability
24 companies, and tax-option corporations may not claim the credit under this
25 subsection, but the eligibility for, and amount of, that credit shall be determined on

1 the basis of their economic activity, not that of their shareholders, partners, or
2 members. The corporation, partnership, or company shall compute the amount of
3 the credit that may be claimed by each of its shareholders, partners, or members and
4 shall provide that information to each of its shareholders, partners, or members.
5 Partners, members of limited liability companies, and shareholders of tax-option
6 corporations may claim the credit based on the partnership's, company's, or
7 corporation's activities in proportion to their ownership interest and may offset it
8 against the tax attributable to their income.

9 ***-1059/P3.410* SECTION 676.** 71.47 (1dx) (c) of the statutes is amended to
10 read:

11 71.47 (1dx) (c) *Credit precluded.* If the certification of a person for tax benefits
12 under s. 238.365 (3), 238.397 (4), 238.398 (3), or 238.3995 (4) or s. 560.765 (3), 2009
13 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009
14 stats., is revoked, or if the person becomes ineligible for tax benefits under s. 238.395
15 (3) or s. 560.795 (3), 2009 stats., that person may not claim credits under this
16 subsection for the taxable year that includes the day on which the certification is
17 revoked; the taxable year that includes the day on which the person becomes
18 ineligible for tax benefits; or succeeding taxable years and that person may not carry
19 over unused credits from previous years to offset tax under this chapter for the
20 taxable year that includes the day on which certification is revoked; the taxable year
21 that includes the day on which the person becomes ineligible for tax benefits; or
22 succeeding taxable years.

23 ***-1059/P3.411* SECTION 677.** 71.47 (1dx) (d) of the statutes is amended to
24 read:

1 71.47 (1dx) (d) *Carry-over precluded.* If a person who is entitled under s.
2 238.395 (3) or s. 560.795 (3), 2009 stats., to claim tax benefits or certified under s.
3 238.365 (3), 238.397 (4), 238.398 (3), or 238.3995 (4) or s. 560.765 (3), 2009 stats., s.
4 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., for
5 tax benefits ceases business operations in the development zone during any of the
6 taxable years that that zone exists, that person may not carry over to any taxable
7 year following the year during which operations cease any unused credits from the
8 taxable year during which operations cease or from previous taxable years.

9 ***-1059/P3.412* SECTION 678.** 71.47 (1dy) (a) of the statutes is amended to
10 read:

11 71.47 (1dy) (a) *Definition.* In this subsection, “claimant” means a person who
12 files a claim under this subsection and is certified under s. 238.301 (2) or s. 560.701
13 (2), 2009 stats., and authorized to claim tax benefits under s. 238.303 or s. 560.703,
14 2009 stats.

15 ***-1059/P3.413* SECTION 679.** 71.47 (1dy) (b) of the statutes is amended to
16 read:

17 71.47 (1dy) (b) *Filing claims.* Subject to the limitations under this subsection
18 and ss. 238.301 to 238.306 or s. 560.701 to 560.706, 2009 stats., for taxable years
19 beginning after December 31, 2008, a claimant may claim as a credit against the tax
20 imposed under s. 71.43, up to the amount of the tax, the amount authorized for the
21 claimant under s. 238.303 or s. 560.703, 2009 stats.

22 ***-1059/P3.414* SECTION 680.** 71.47 (1dy) (c) 1. of the statutes is amended to
23 read:

24 71.47 (1dy) (c) 1. No credit may be allowed under this subsection unless the
25 claimant includes with the claimant’s return a copy of the claimant’s certification

1 under s. 238.301 (2) or s. 560.701 (2), 2009 stats., and a copy of the claimant's notice
2 of eligibility to receive tax benefits under s. 238.303 (3) or s. 560.703 (3), 2009 stats.

3 ***-1059/P3.415* SECTION 681.** 71.47 (1dy) (c) 2. of the statutes is amended to
4 read:

5 71.47 (1dy) (c) 2. Partnerships, limited liability companies, and tax-option
6 corporations may not claim the credit under this subsection, but the eligibility for,
7 and the amount of, the credit are based on their authorization to claim tax benefits
8 under s. 238.303 or s. 560.703, 2009 stats. A partnership, limited liability company,
9 or tax-option corporation shall compute the amount of credit that each of its
10 partners, members, or shareholders may claim and shall provide that information
11 to each of them. Partners, members of limited liability companies, and shareholders
12 of tax-option corporations may claim the credit in proportion to their ownership
13 interests.

14 ***-1059/P3.416* SECTION 682.** 71.47 (1dy) (d) 2. of the statutes is amended to
15 read:

16 71.47 (1dy) (d) 2. If a claimant's certification is revoked under s. 238.305 or s.
17 560.705, 2009 stats., or if a claimant becomes ineligible for tax benefits under s.
18 238.302 or s. 560.702, 2009 stats., the claimant may not claim credits under this
19 subsection for the taxable year that includes the day on which the certification is
20 revoked; the taxable year that includes the day on which the claimant becomes
21 ineligible for tax benefits; or succeeding taxable years and the claimant may not
22 carry over unused credits from previous years to offset the tax imposed under s. 71.43
23 for the taxable year that includes the day on which certification is revoked; the
24 taxable year that includes the day on which the claimant becomes ineligible for tax
25 benefits; or succeeding taxable years.